UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

ACTION MEMORANDUM

DATE February 4, 2010

SUBJECT Request for a Removal Action at Halaco Engineering Company Site, Oxnard, Ventura County, California

FROM Rachelle Strickfaden, RPM
Wayne Praskins, RPM

TO Kathleen Salyer, Assistant Director
Site Cleanup Branch (SFD-7)

THROUGH Rich Hiett, Chief
California Site Cleanup Section 3 (SFD-7-3)

Site ID #: X6

I. PURPOSE

The purpose of this memorandum is to request a non-time critical removal action at the Halaco Engineering Company Superfund Site ("Site") at 6200 Perkins Road, Oxnard, Ventura County, California. The Halaco Site is the location of a former secondary metal smelter and includes an 11-acre parcel containing the former smelter and an adjacent 26-acre area where wastes were deposited and managed.

Two of the former industrial buildings are contaminated with heavy metals and contain asbestos, but are structurally unsound and in danger of collapsing. The proposed removal would demolish the buildings to prevent an uncontrolled release of Site contaminants into surrounding areas, thereby preventing exposure to people and ecological receptors, and preventing physical harm to people on-site including workers conducting the remedial investigation or trespassers.

II. SITE CONDITIONS AND BACKGROUND

Site Status: Listed on NPL
Category of Removal: Non Time-Critical
CERCLIS ID: CAD009688052

A. Site Description

1. Removal Site Evaluation

Halaco Engineering Company operated a secondary metal smelter at the Site from 1965 to 2004, recovering aluminum and magnesium for reuse. Halaco's operations generated large quantities of solid and liquid waste, which were disposed of onsite. Contaminated media at the site include soils, sediments, groundwater, and surface water. This removal action addresses two of the former process buildings, the Smelter and Bag House buildings, which are structurally unsound. The two buildings are contaminated with asbestos and heavy metals, and damaged to the point that portions of either building are likely to fail, detach, or collapse.

2. Physical Location

The Halaco Site is located at 6200 Perkins Road in Oxnard, Ventura County, California (Figure 1). As of 2006, Oxnard was the largest city in Ventura County with a population of about 190,000 people. The Site includes an 11-acre parcel containing the former smelter and an adjacent 26-acre area where wastes were deposited and managed. The Smelter and Bag House buildings are located on the smelter parcel (Figure 2).

The Site is located above the Oxnard Plain Groundwater Basin. The water supply wells closest to the Site are two inactive City of Port Hueneme wells approximately one-half mile to the northwest, and an agricultural well used for irrigation approximately one-half mile to the east.

Industrial and open space land uses surround the Site. Immediately to the north and east of the Site is a wetland area owned by The Nature Conservancy. To the south of the Site are a wetland area, a lagoon, and the Pacific Ocean. To the north and west are the City's wastewater treatment plant and an industrial paper recycling plant. The Site is bisected by the Oxnard Industrial Drain, a surface water channel that drains upstream agricultural, commercial, and residential areas. The Oxnard Industrial Drain is a tributary to the Ormond Beach wetlands, lagoon, and the Pacific Ocean.

Habitat near the Site includes coastal salt marsh and coastal freshwater/brackish wetland. The wetlands are home to several endangered or threatened species, including the Beldinger's savannah sparrow, the Southern sea otter, the Western snowy plover, the tidewater goby, the light-footed clapper rail, and the salt marsh bird's-beak. An extensive beach-dune complex runs along the southern boundary of the Site.

3. Site Characteristics

During its 40 years of operation, Halaco generated large quantities of solid and liquid waste from the smelting process. Other waste was generated by the air pollution control equipment. In addition, used oil and spent solvent were also disposed of onsite. From 1965 to about 1970, Halaco discharged much or all of its process waste in and adjacent to the Oxnard Industrial Drain and used waste solids as fill in the Smelter area. From about 1970 to 2002, Halaco deposited a waste slurry made up of suspended solids, salts used in the smelting operation, and ferrous and

non-ferrous metals to unlined earthen settling ponds east of the Smelter. An estimated volume of more than 700,000 cubic yards of solids remain on-site. The bulk of the solids are in a waste pile that covers about 15 acres and rises up to 40 feet above grade. Estimates of waste process solids in the smelter area exceed 7,000 cubic yards. Waste process solids have also been discovered in the Ormond Beach Wetlands. The extent to which site contaminants spread offsite is currently being investigated as part of the Remedial Investigation and Feasibility Study (RI/FS).

Environmental testing results indicate that elevated levels of a variety of metals are present in the waste, and that Site soils, sediments, and groundwater have been contaminated by Halaco's wastes. Constituents found at elevated levels include aluminum, barium, beryllium, cadmium, chromium, copper, lead, magnesium, manganese, nickel, and zinc. Elevated levels of radioactive thorium (and its decay products) are also present in soils, sediments, and groundwater in some areas of the Site. Elevated levels of ammonia and petroleum hydrocarbons have also been detected in waste materials at the Site.

The process building area was the location of most of Halaco's operations, including metal smelting in rotary furnaces, storage of scrap materials and wastes, equipment storage and maintenance, and fuel and oil storage in above-ground and underground tanks. The main metal smelting operations occurred in the Smelter building, and the air pollution control activities occurred in the Bag House building.

4. Release or Threatened Release into the Environment of a Hazardous Substance, Pollutant, or Contaminant.

There is a threatened release of hazardous substances into the environment due to the structural instability of the contaminated process buildings. Sampling by EPA and its contractors in March 2007 and October 2009 revealed the presence of asbestos in the process buildings, as well as metals including antimony, arsenic, barium, beryllium, cadmium, chromium, cobalt, copper, lead, molybdenum, nickel, selenium, silver, thallium, vanadium, and zinc. Further details of the testing methods and results are discussed in the *EE/CA* report, attached to this memorandum, and provided in the *Halaco Building Assessment Letter Report* included in the Administrative Record.

The structural instability of the Smelter and Bag House buildings has been documented by both the City of Oxnard and a structural engineer hired by EPA. The city inspector noted extensive corrosion of the steel framing, delamination of concrete in reinforced concrete walls and roofing, and other weaknesses, and concluded that portions of the buildings are likely to fail, detach, or collapse. EPA's contractor confirmed the findings of the city inspector, and documented steel beams, columns, girts, metal deck, tie rods, bolts, and exposed rebar that are extremely corroded and rusted. The contractor also reported that portions of the walls, floor covers, and roof are shredded or missing, certain structural supports are loose, and parts of the concrete face shells are cracked and unsupported. The report recommended demolition of the buildings as soon as possible to avoid any injury and/or possible loss of life. The full *Structural Assessment Report* is included in the Administrative Record for this removal action.

5. National Priorities List (NPL) Status

In September 2007, EPA added the Halaco Engineering Co. facility and adjacent contaminated areas to the Superfund National Priorities List. The Remedial Process has begun at the Site, and a Remedial Investigation and Feasibility Study is currently in progress.

6. Maps, Pictures, and other Graphic Representations

Figure 1 shows the Site location, and Figure 2 indicates the location of the Smelter and Bag House buildings on the Site. Photographs of the individual buildings are available in the *Structural Evaluation Report*, which is included in the Administrative Record.

B. Other Actions to Date

1. Previous Actions

While the Site was being evaluated for placement on the NPL, two removal actions were completed to address immediate Site risks. The first removal action, completed by the property owners between August 2006 and February 2007, included the removal of drums and other hazardous substances from the Site, and the installation of fencing, silt curtain, and straw wattles around the waste pile. A second, EPA-funded removal action was completed in 2007 to stabilize and secure the Site and limit off-site migration of contaminated wastes. It included re-grading the waste pile to reduce the steepness of the slopes, placing matting on the slopes to reduce erosion, stabilizing the banks along the lower portion of the Oxnard Industrial Drain, removing an estimated 9,000 cubic yards of waste from the smelter area, removing an estimated 7,600 cubic yards of material from a wetland area adjacent to the Halaco property, and installing an estimated 6,000 feet of fencing around the perimeter of the waste management area. EPA's total response costs at the Site, including these removal actions, were approximately $6.8 million as of June 2009.

2. Current Actions

Further remedial activities at the Site are currently being evaluated as part of the Remedial Investigation and Feasibility Study (RI/FS). As part of the RI/FS, EPA is conducting a large field effort expected to continue through spring 2010. The investigation includes the collection and analysis of soil, soil gas, sediment, water, plant, insect, fish and air samples at the Site. The final remedial plan for the Site has not been determined.

C. State and Local Authorities' Roles

1. State and local actions to date

A variety of State agencies regulated Halaco's activities before Halaco ceased operations in 2004. Since the Site was added to the NPL, the State and local role at the Site has been limited. The City of Oxnard has assisted in securing the property, and the Regional Water Quality Control

Board has assisted EPA in addressing compliance with EPA and State stormwater requirements. The City is also expected to assist during the removal by disposing of debris from the Site.

2. Potential for Continued State/Local Response

State and local agencies have asserted that they lack the resources to undertake the required cleanup action at this time. LARWQCB requested EPA's assistance at the Site in a written request on February 21, 2006.

III. THREATS TO PUBLIC HEALTH OR WELFARE OR THE ENVIRONMENT, AND STATUTORY AND REGULATORY AUTHORITIES

Conditions at the Site represent a substantial threat to public health, welfare, or the environment based on the following factors set forth in the National Oil and Hazardous Substances Pollution Contingency Plan (NCP), 40 CFR § 300.415(b)(2):

Actual or potential exposure to nearby populations, animals or the food chain from hazardous substances or pollutants or contaminants.

Portions of the Smelter and Bag House buildings are likely to fail, detach, or collapse. Falling beams or roof panels could cause injury or death to anyone in or near the buildings, including workers carrying out remedial activities or trespassers. Despite EPA's efforts to improve Site security, there is evidence of continued trespassing onto the Site.

The collapse of either building could also create an uncontrolled release of hazardous materials, dust, and debris. It is difficult to quantify the magnitude of the risk, but the contaminants of concern include asbestos, lead, copper, beryllium, chromium, aluminium, barium, cadmium, magnesium, manganese, nickel, zinc, and radiologically active thorium and decay products. Potentially exposed receptors on-site include workers conducting the Remedial Investigation or trespassers, who might inhale the airborne contaminated dust.

The threatened release could further expose nearby ecological receptors to Site contaminants. Several endangered or threatened species have been documented in areas adjacent to the Site, and portions of those areas are designated as critical habitat.

IV. ENDANGERMENT DETERMINATION

Actual or threatened releases of hazardous substances from this Site, if not addressed by implementing the response action selected in this Action Memorandum, may present an imminent and substantial endangerment to public health, welfare, or the environment.

V. PROPOSED ACTIONS AND ESTIMATED COSTS

A. Proposed Action

1. Proposed Action Description

The removal will demolish both the Smelter and Bag House buildings. Prior to demolition, asbestos abatement will remove all asbestos-containing materials including insulation, roofing material, wall mastic, and flooring. The sub-floor vaults will be cleared and cleaned, and all remaining equipment in the buildings will be removed prior. Both buildings will be deconstructed and brought down in a controlled manner.

The removal will generate several waste streams, including concrete debris, metal debris, miscellaneous non-hazardous municipal waste, and a limited amount of possibly hazardous waste. The concrete debris will be broken up into small pieces and used as fill in on-site vaults. Metal debris will be salvaged and sold as scrap. Miscellaneous non-hazardous construction waste will be disposed of in an appropriate landfill. Any waste material classified as hazardous under RCRA or California Title 22 will be dealt with in accordance with the relevant requirements. This removal does not address the other smaller buildings on the Site or the waste pile. The need for remediation of other buildings will be addressed as part of the remedial process currently underway.

2. Contribution to Remedial Performance

The removal will enable soil and groundwater sampling to be conducted in previously inaccessible areas (under the process buildings), and will prevent an uncontrolled release of contaminants off-site. The removal action will ensure the health and safety of workers participating in remedial activities by eliminating the risk of injury and/or death from falling building materials. Thus, the removal is consistent with future remedial plans for the Site.

3. Description of Alternative Technologies

Retrofitting the buildings instead of removing them was also considered, but screened out due to technical impracticability. The 2007 Structural Evaluation Report, included in the Administrative Record, determined that a retrofit of the existing structures was not feasible due to the age of the structures and the extent of the structural damage observed.

4. Engineering Evaluation and Cost Analysis (EE/CA)

The Engineering Evaluation and Cost Analysis (EE/CA) report for this removal action, the Approval Memorandum authorizing the EE/CA, public comments on the EE/CA, and EPA's written response to those comments are attached and included in the Administrative Record. EPA considered all public comments, which were generally supportive of the removal action.

5. Applicable or Relevant and Appropriate Requirements

EPA has identified the following applicable or relevant and appropriate requirements (ARARs):

- National Emissions Standards for Hazardous Air Pollutants (NESHAP)- Asbestos, 40 CFR 61, Subpart M
- Resource Conservation and Recovery Act (RCRA), 42 U.S.C. § 6901 et seq.,
- California Code of Regulations Title 22, Division 4.5

The removal action will also comply with the Migratory Bird Treaty Act of 1918, 16 U.S.C. § 703 *et seq*. Migratory swallows have been documented nesting in rafters of the smelter buildings at the Halaco Site in the past.

6. Project Schedule

Removal activities are expected to take about 40 on-site working days to complete.

B. Estimated Costs

Cost estimates are based on existing Emergency and Rapid Remedial Response (ERRA) rates for EPA Region 9 contracts.

Extramural Costs	
Cleanup Contractor (ERRS)	$ 800,000
IAG with USCG Pacific Strike Team	$ 50,000
START contractor	$ 200,000
Extramural subtotal	$ 1,050,000
Extramural contingency (20%)	$ 210,000
Extramural Total	*$ 1,260,000*
Intramural Costs[1]	
U.S. EPA Direct Costs	$ 87,000
U.S. EPA Indirect Costs (36.58% of 1,260,000+87,000)	$ 492,733
Total Intramural Costs	*$ 579,733*
Total Project Ceiling	***$ 1,839,733***

[1] Direct costs include direct extramural costs and direct intramural costs. Indirect costs are calculated based on an estimated indirect cost rate expressed as a percentage of site-specific direct costs, consistent with the full cost accounting methodology effective October 2, 2000. These estimates do not include pre-judgment interest, do not take into account other enforcement costs, including Department of Justice costs, and may be adjusted during the course of a removal action. The estimates are for illustrative purposes only and their use is not intended to create any rights for responsible parties. Neither the lack of a total cost estimate nor deviation of actual costs from this estimate will affect the United States' right to cost recovery.

The total EPA extramural and intramural costs for this removal action, based on full-cost accounting practices that will be eligible for cost recovery, are estimated to be $1,839,733.

VI. EXPECTED CHANGE IN THE SITUATION SHOULD ACTION BE DELAYED OR NOT TAKEN

If action is delayed or not taken, portions of either of the former industrial buildings could detach or collapse, potentially causing physical harm to people on-site, including workers conducting the remedial investigation or trespassers. Site contaminants would be released into surrounding areas, exposing people and ecological receptors to heavy metals and/or asbestos.

VII. OUTSTANDING POLICY ISSUES

At this time, no outstanding policy issues with the Site have been identified.

VIII. ENFORCEMENT

EPA has named six parties as potentially responsible parties at the Site. These include Clarence W. Haack (former owner and operator), the Clarence W. Haack Living Trust (current owner), John M. Haack (current owner), Robert D. Haack (current owner), John David Gable (former operator), and MagPro, Limited Liability Company (successor to Halaco). The potentially responsible parties are not at this time willing and/or able to perform the proposed response promptly and properly. See the attached Enforcement Confidential Addendum, not considered a part of the Action Memorandum for purposes of NCP consistency, for a discussion of the PRP search and enforcement strategy.

IX. RECOMMENDATION

This decision document represents the selected removal action for the Halaco Engineering Company Site in Oxnard, California, developed in accordance with CERCLA as amended, and is not inconsistent with the NCP. This decision is based on the Administrative Record for the Site. Conditions at the Site meet the NCP criteria for a removal action under 40 C.F.R. § 300.415(b)(2). We recommend your approval of the proposed removal action.

Approve: Kathleen Salyer 2/4/10

Kathleen Salyer Date

Disapprove: _____

Kathleen Salyer Date

Aerial image © Google Earth, 2007. Annotation by CH2M HILL, 2008.

FIGURE 1
Halaco Site
Halaco Site, Oxnard, California

Project # 002693.2053.01RA
TDD# 09-09-09-0002

Source: DigitalGlobe, Image date 2007-07-01

N

0 250 500 Feet

Figure 2
Site Features
Halaco Building Assessment
6200 Perkins Road, Oxnard,
Ventura County, California

ecology and environment, inc.
International Specialists in the Environment